COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE SALE AND DETARIFFING OF)
EMBEDDED CUSTOMER PREMISES)
EQUIPMENT) ADMINISTRATIVE
) CASE NO. 269
PHASE 4)

ORDER

On October 29, 1986, the Commission held a public hearing in this case, at which the Commission staff had questions concerning the information responses of certain telephone companies that had not sponsored prefiled testimony. The Commission staff proposed to address interrogatories to these telephone companies and no party objected.

The staff's questions are directed as follows:

ALLTEL Kentucky, Inc. and Mountain Rural Telephone Cooperative Corporation, Inc.

- 1. Is the company able to identify investment, revenues, expenses, and supporting assets associated with miscellaneous customer premises equipment ("CPE")?
- In the absence of the ability to identify investment, 2. and supporting assets associated with expenses, revenues, miscellaneous CPE, how does the company propose that the miscellaneous Commission allocate CPE investment, expenses, and supporting assets associated with miscellaneous CPE,

how does the company propose that the Commission allocate miscellaneous CPE investment, revenues, expenses, and supporting assets to unregulated accounts?

Ballard Rural Telephone Cooperative Corporation, Inc., Duo County Telephone Cooperative Corporation, Inc., and Foothills Rural Telephone Cooperative Corporation, Inc.

- 1. Is the company able to identify miscellaneous CPE expenses and supporting assets?
- 2. In the absence of the ability to identify miscellaneous CPE expense and supporting assets, how does the company propose that the Commission allocate miscellaneous CPE expenses and supporting assets to unregulated operations?

An appropriate official of each company should respond to each question within 10 days from the date of this Order and responses should be in sufficient detail as to fully explain each company's position.

IT IS THEREFORE ORDERED that the telephone companies identified in this Order shall respond to the questions posed in this Order within 10 days from the date of this Order.

Done at Frankfort, Kentucky, this 10th day of November, 1986.

PUBLIC SEPVICE COMMISSION

For the Commission

ATTEST: